



JUL 12 2005

The Honorable Matt Blunt  
Governor of Missouri  
Missouri Capitol Building  
Room 216  
Jefferson City, Missouri 65101

Dear Governor Blunt:

It is with pleasure that I respond to the State of Missouri's request for waivers of statutory and regulatory requirements under the Workforce Investment Act (WIA). This action is taken under the Secretary's authority to waive certain requirements of WIA Title I, subtitles B and E and Sections 8-10 of the Wagner-Peyser Act. In the Strategic State Plan for Title I of the Workforce Investment Act and the Wagner-Peyser Act for the two-year period, July 1, 2005, through June 30, 2007, the state submitted two waiver requests. The requests are written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c), and appear to meet the standard for approval at 20 CFR 661.410(e). The following is the disposition of the state's waiver submission (copy enclosed).

Requested Waiver 1: Waiver to permit use of up to 10 percent of local area formula funds in the same manner as statewide funds.

The state is granted a waiver of the language that limits the authority to provide the activities identified in WIA Sections 129(b) and 134 to the state. This waiver will permit local areas to request to use up to 10 percent of local area formula allocation funds for adults, dislocated workers, and youth to provide statewide employment and training activities identified at WIA Sections 129(b) and 134, through June 30, 2007. These funds must be tracked by funding stream.

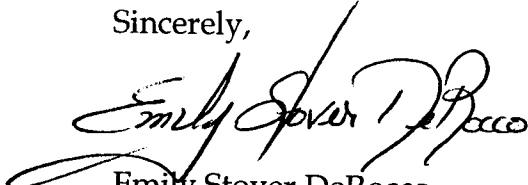
Requested Waiver 2: Extension of the waiver of the recapture and reallocation provisions of WIA sections 128(c) and 133(c) and 20 CFR 667.160, so as to also permit recapture and reallocation of obligated but unexpended balances of local area funds, using the expenditure levels specified in the state's request.

The state indicates that an extension will ensure maximum expenditure of funds, promote more effective and integrated service delivery, and continue to improve administrative efficiencies. Accordingly, we are approving an extension of this waiver.

As provided for under paragraph 3 of the executed Agreement, the approved waivers are incorporated by reference into the state's WIA Grant Agreement. A copy of this letter should be filed with the WIA Grant Agreement and the Strategic Plan, as appropriate.

We look forward to continuing our partnership with you and achieving better workforce investment outcomes. We are prepared to entertain other state and local level waiver requests that you may wish to submit, consistent with the provisions of the WIA statute and regulations.

Sincerely,



Emily Stover DeRocco

Enclosure